

ORIGINAL

**Arizona Corporation Commission
Utilities Complaint Form**

Investigator: Al Amezcua **Phone:** <<< REDACTED >>> **Opinion Date:** 2/2/2022
Opinion Number: 2022 - 178708
Opinion Codes: Other - misc line siting **Closed Date:** 2/2/2022 9:29 AM

First Name: Diane **Last Name:** Brown **Account Name:** Diane Brown
Address: <<< REDACTED >>>
City: Gilbert **State:** AZ **Zip Code:** 85233
Work: <<< REDACTED >>> **Email:** <<< REDACTED >>>

Company: Salt River Project Agricultural Improvement and Power District **Division:** Electric

Nature Of Opinion**Docket Number:** L-00000B-21-0393-00197**Docket Position:** Against

See attached letter from the Arizona PIRG Education Fund.

Arizona Power Plant and Line Siting Committee

c/o Arizona Corporation Commission

1200 W. Washington St.

Phoenix, AZ 85007

February 2, 2022

Arizona Corporation Commission

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AZ CORP COMMISSION
DOCKET CONTROL

Dear Chairman Katz and members of the Arizona Power Plant and Line Siting Committee,

RE: Docket Number L-00000B-21-0393-00197

On behalf of the Arizona PIRG Education Fund, I am writing to respectfully request the Arizona Power Plant and Line Siting Committee deny Salt River Project approval of the Certificate of Environmental Compatibility for their proposed Coolidge Expansion Project.

Below please find a letter I submitted on behalf of the Arizona PIRG Education Fund to the SRP Board of Directors prior to their vote on the proposed Coolidge Expansion Project. The Arizona PIRG Education Fund and others urged the SRP Board to vote no or delay their vote until comprehensive information was provided that enabled an informed decision in the best interest of ratepayers. Although the vote to proceed narrowly passed, the Arizona PIRG Education Fund continued to share concerns and further engage with SRP staff on their proposal. While SRP has offered general responses to questions raised by us and others, the utility has yet to publicly provide specific answers to fundamental questions such as impacts to air quality, water quantity, and electric bills.

Since essential information has not been provided, the Arizona Power Plant and Line Siting should vote no or delay the vote. Residents of the local community deserve to know about and be protected from potential adverse impacts related to air quality and water quantity, and SRP ratepayers deserve to know about

estimated monthly electric bill impacts. Thank you for your consideration of our comments. I can be reached directly at <<< REDACTED >>> (c) if you have questions or would like to discuss.

Sincerely,

Diane E. Brown

Executive Director

September 9, 2021

Dear Members of the SRP Board of Directors,

On behalf of the Arizona PIRG Education Fund, I am writing to respectfully request that you require SRP Management to publicly provide you, stakeholders, and SRP customers with fundamental information prior to voting on the proposed Coolidge Expansion Project. The Arizona PIRG Education Fund urges the Board to vote no or delay the vote until comprehensive information is provided that enables you to make an informed decision in the best interest of SRP customers.

A billion dollars for 16 gas units is a hefty expenditure and one that the Board should not approve without appropriate scrutiny. To the best of our knowledge, Management has not provided answers to basic questions – questions that as publicly elected Board members you have the right, and an obligation, to have addressed prior to voting to expend nearly \$1 billion of SRP customers' money.

Below please find our top 10 questions on the proposed Coolidge Expansion Project:

1. What is the estimated impact on the monthly electricity bills of SRP customers, per customer class, and over what period of time? What is the estimated low-and-high bill impact per customer class?
2. What is the likelihood, given costs and climate policy considerations, the units will become stranded assets and SRP customers will need to absorb the cost?
3. At what capacity are the units expected to run during peak hours? At what capacity are the units expected to run during off-peak hours?
4. What is the total projected cost of the proposal including fuel and maintenance?
5. What is the total estimate for groundwater consumption? How will the use of groundwater affect availability, and water costs, for farmers, businesses, and consumers?
6. What were the inputs used for load forecasts?
7. What were the specific factors and scenarios contemplated? For example, were scenarios modeled that significantly increased energy efficiency, demand response, or delayed purchasing a portion of the gas units?
8. Why didn't SRP issue an All-Source RFP?
9. Why was the proposal presented to stakeholders only 24 hours before the Power Committee vote? Why is the proposal on the agenda before the open houses for SRP customers are scheduled?
10. Why should the Board approve a nearly billion dollar decision without answers to the above, and other questions?

Below are suggested next steps for the Board:

1. Require Management to provide answers to the above and other questions that have been raised surrounding this proposal prior to a Board vote.
2. Adopt a policy that ensures the Board, stakeholders, and SRP customers have sufficient, easy access to publicly available information, for any expenditure of \$1,000,000 or more at least one month prior to a Board vote.
3. Adopt a policy requiring All-Source RFPs. As you know, competitive bidding is a standard practice for many utilities.
4. Encourage Management to hold a stakeholder meeting at least a month prior to any major policy decision (s) to present Management's proposal, answer questions, seek input, and facilitate an understanding of varied perspectives.
5. Upon request and within reason, meet with stakeholders and customers to help inform your decisions.

Last, but not at all least, I would be remiss not to point out that the Arizona PIRG Education Fund is concerned about the growing list of problems associated with gas, most notably leaks, threats to our communities, and costs to consumers. Although gas has been touted as a relatively clean source of energy that can reduce global warming emissions, recent research shows that methane leaks during the production, transportation, and storage of gas can erode or nullify its climate benefits. Recent events in Chandler, Coolidge, and Texas show both the dangers of gas and the extreme volatility of the cost of fuel.

Prior to voting on the proposed construction of 16 gas units at a cost of almost \$1 billion to SRP customers, we encourage you to consider the above questions, suggestions, and comments. The Arizona PIRG Education Fund contends that the necessary information, including evaluation of clean energy options, have not been provided; and, therefore the Board should vote no or delay the vote until the answers have been provided in order for you to make an informed decision that will be in the best interest of SRP ratepayers. Please feel free to contact me directly at <<< REDACTED >>> if you have questions or would like to discuss.

Sincerely,

Diane E. Brown

Executive Director

Arizona PIRG Education Fund

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Investigation			
Date:	Analyst:	Submitted By:	Type:
2/2/2022	Al Amezcua	Telephone	Investigation

Comments noted for the record and docketed. CLOSED.
